

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	6873	Agenda Number	53.
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Meeting Date:	May 26, 2011
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Department:	Purchasing
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Subject

Authorize award and execution of Amendment No. 2 to a contract with: FALCON INSURANCE AGENCY, Austin, TX for liability and physical damage insurance coverage for helicopters and airplanes, to exercise option year two in the amount not to exceed \$48,810 with three additional 12-month extension options in an amount not to exceed \$52,500 each. The base year amount was \$42,260 and option year one was \$46,486, for a total contract amount not to exceed \$295,056.

Amount and Source of Funding

Funding in the amount of \$48,810 is available in the 2010-2011 Approved Operating Budget of the Police Department. Funding for the remaining extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Contract Amendment
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Prior Council Action:	
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For More Information:	Jeff Dilbert, Buyer II, 974-2651
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Boards and Commission Action:	
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Related Items:	
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Additional Backup Information

This agreement is for liability and physical damage insurance coverage for two helicopters and one airplane for the Austin Police Department. Aircraft insurance is a specialty insurance that covers standard Public Safety operations. The policy forms and provisions are crafted specifically for the exposures related to aircraft.

This contract was competitively bid and awarded in 2009. This recommended Council action is to approve Amendment No. 2 for \$48,810 and the authorization to enter into the final option periods for \$52,500 each when appropriate, for a final contract value of \$295,056.

Contract Summary		
Contract History	Description	Amount
Original Contract	12-month contract for aviation insurance with 5-12 month extension options	\$42,260
Amendment No. 1	Exercise the first extension option	\$46,485
Proposed Amendment No. 2	Exercise the second extension option Three remaining 12-month extension options (\$52,500 per option)	\$48,810 \$157,500
	Total contract amount	\$295,056